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**MEMO ENDORSED**

October 11, 2013

**VIA FACSIMILE WITH PERMISSION**

The Honorable Lewis A. Kaplan  
United States District Judge  
U.S. District Court for the Southern District of New York  
Daniel Patrick Moynihan United States Courthouse  
500 Pearl Street  
New York, NY 10007

Re: *In re Lehman Brothers Equity/Debt Securities Litigation*  
Case No. 08 Civ. 5523 (LAK)

Dear Judge Kaplan:

As Court-appointed chair of the Executive Committee for plaintiffs in the above-captioned action and on behalf of Defendant Ernst & Young LLP, we write jointly to inform the Court that we have reached an agreement in principle to settle the claims against Ernst & Young LLP in this Class Action and have executed a term sheet containing the material terms.

The settlement, if approved by the Court pursuant to Fed. R. Civ. P. 23(e), will provide for a recovery of \$99,000,000.00, to be paid in excess of that which has already been funded through the prior settlements and is in the process of being distributed to the Class. This settlement, if approved, would end the litigation brought on behalf of the Class. The Settling Parties are currently drafting a detailed Stipulation of Settlement and anticipate moving the Court for approval to issue notice of the settlement to members of the Settlement Class in approximately thirty (30) days.

To enable the Settling Parties to focus on documenting the settlement and satisfying its conditions, we respectfully request that the Court suspend ongoing proceedings in the Class Action. Currently, the deadline for the parties to exchange expert reports is October 18, 2013, and the Settling Parties would otherwise be addressing discovery items and the additional obligations under Pretrial Order No. 61 (ECF. No. 1130). By so requesting, the Settling Parties do not intend to affect the existing schedule for the Individual Actions in this Multi-District Litigation.

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Thank you for your attention. Should the Court like to discuss any of the matters set forth above, we will make ourselves available at Your Honor's convenience.

Respectfully submitted,

*Max W. Berger*

Max W. Berger

cc: David Stickney (via email)  
David Kessler (via email)  
Miles N. Ruthberg (via email)  
All Counsel, Service List attached (via email)

*Granted*

*lee*  
*10/16/13*

*Docket in 09 MD 2017  
and 08 Civ. 5523*